Firm name and address:	Drug Listing No.
* * * * *	
American Hoechst Corp., Agricultural Division, Route 202-206 North, Somerville, NJ 08876.	012799
* * * * *	
Hoechst-Roussel Pharmaceuticals, Inc., Route 202-206 North, Sommerville, NJ 08876	000039
* * * * *	

(2) * * *

Drug Listing No:	*Firm name and address*
* * * * *	
000039	Hoechst-Roussel Pharmaceuticals, Inc., Route 202-206 North, Somerville, NJ 08876.
* * * * *	
012799	American Hoechst Corp., Agricultural Division, Route 202-206 North, Somerville, NJ 08876.
* * * * *	

2. Part 558 is amended as follows:

§ 558.55 [Amended]

a. In § 558.55 *Amprolium*, paragraph (e)(2) is amended in the table, in item (iii), in the "Limitations" column for the combination of amprolium with bambermycins and roxarsone, by deleting the number "000039" and inserting in its place "012799."

§ 558.58 [Amended]

b. In § 558.58 *Amprolium and ethopabate*, paragraph (e)(1) is amended in the table in item (ii) in the "Limitations" column for amprolium and ethopabate in combination with bambermycins plus roxarsone by deleting the number "000039" and inserting in its place "012799"; and in item (iii) of the table in paragraph (e)(1), in the "Limitations" column for the entries of amprolium and ethopabate in combination with bambermycins and in combination with bambermycins plus roxarsone, the number "000039" is deleted in each entry and "012799" is inserted in its place.

§ 558.95 [Amended]

c. In § 558.95 *Bambermycins*, paragraph (b) is amended by deleting the number "000039" and inserting in its place "012799", and paragraph (e)(1)(vi)(*b*) and (vii)(*b*) is amended by deleting the number "000039" and inserting in its place "012799."

Effective date. March 10, 1978.

(Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)))

Dated: March 6, 1978.

FRED J. KINGMA,
Acting Director, Bureau of Veterinary Medicine.

[FR Doc. 78-6313 Filed 3-9-78; 8:45 am]

[1505-01]

PART 520—ORAL DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

Piperazine Phosphate Capsules

Correction

In FEDERAL REGISTER Doc. 78-4207 appearing at page 6941 in the issue of Friday, February 17, 1978 under the heading "FOR FURTHER INFORMATION CONTACT:" second line, "(HFV-12)" should read, "(HFV-112)", and in § 520.1804 the first line of paragraph (c)(2) should read as follows:

"(2) *Indications for use*—(i) *Dogs.* It"

[4110-03]

PART 522—IMPLANTATION OR INJECTABLE DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

Gonadorelin Diacetate Tetrahydrate Injection

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The animal drug regulations are amended to reflect approval of a new animal drug application (NADA) filed by Abbott Laboratories for use of an injectable hormone for treating cystic ovaries in cattle.

EFFECTIVE DATE: March 10, 1978.

FOR FURTHER INFORMATION CONTACT:

William D. Price, Bureau of Veterinary Medicine (HFV-123), Food and Drug Administration, Department of Health, Education, and Welfare, 5600 Fishers Lane, Rockville, Md. 20857, 301-443-3442.

SUPPLEMENTARY INFORMATION: Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064, filed NADA 98-379V to provide for safe and effective injection of synthetic gonadotropin-releasing-hormone (gonadorelin diacetate tetrahydrate) for treating ovarian cysts in dairy cows.

In accordance with the freedom of information regulations and § 514.11(e)(2)(ii) of the animal drug regulations (21 CFR 514.11(e)(2)(ii)), a summary of safety and effectiveness data and information submitted to support approval of this application is released publicly. The summary is available for public examination at the office of the Hearing Clerk (HFC-20), Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857, from 9 a.m. to 4 p.m., Monday through Friday, except on Federal holidays.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i))) and under authority delegated to the Commissioner (21 CFR 5.1), Part 522 is amended by adding new § 522.1078 to read as follows:

§ 522.1078 Gonadorelin diacetate tetrahydrate injection.

(a) *Specifications.* The drug contains 50 micrograms of gonadorelin diacetate tetrahydrate in each milliliter of sterile solution.

(b) *Sponsor.* See No. 043731 in § 510.600(c) of this chapter.

(c) *Conditions of use.* It is used in dairy cows as follows:

(1) *Amount.* 100 micrograms per cow.

(2) *Indications for use.* The drug is used for the treatment of ovarian cysts.

(3) *Limitations.* Administer as a single intramuscular or intravenous injection. Federal law restricts this drug to use by or on the order of a licensed veterinarian.

Effective date: March 10, 1978.

(Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)).)

Dated: March 6, 1978.

FRED J. KINGMA,
Acting Director, Bureau of Veterinary Medicine.

[FR Doc. 78-6312 Filed 3-9-78; 8:45 am]

[4110-03]

SUBCHAPTER F—BIOLOGICS

[Docket No. 77N-0114]

PART 640—ADDITIONAL STANDARDS FOR HUMAN BLOOD AND BLOOD PRODUCTS

Source Plasma (Human)

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: This rule amends the regulations regarding Source Plasma (Human) to clarify the conditions

under which a donor who has not had the red blood cells returned from a unit of blood collected during a plasmapheresis procedure or who has been a donor of a unit of whole blood may be plasmapheresed again within 8 weeks. This change is necessary because the regulation has been misapplied by manufacturers to permit routine rather than occasional exceptions to the 8-week waiting period after the loss of red blood cells. This amendment limits the exception to the 8-week waiting period to those cases where the donor possesses an antibody that is (1) transitory, (2) of a highly unusual or infrequent specificity, or (3) of an unusually high titer. This amendment also requires that records document the special characteristics of the antibody and the need for plasmapheresing the donor.

EFFECTIVE DATE: March 10, 1978.

FOR FURTHER INFORMATION CONTACT:

Al Rothschild, Bureau of Biologics (HFB-620), Food and Drug Administration, Department of Health, Education, and Welfare, 8800 Rockville Pike, Bethesda, Md. 20014, 301-443-1920.

SUPPLEMENTARY INFORMATION: In the FEDERAL REGISTER of May 17, 1977 (42 FR 25339), the Commissioner of Food and Drugs proposed to amend the biologics regulations to clarify the conditions under which a donor who has not had the red blood cells returned from a unit of blood collected during a plasmapheresis procedure or who has been a donor of a unit of whole blood may be plasmapheresed again within 8 weeks. The amendment was proposed because § 640.63(e) has been misapplied by manufacturers to permit routine rather than occasional exceptions to the 8-week waiting period after the loss of red blood cells. The Commissioner proposed to limit the exception to the 8-week waiting period to donors possessing an antibody that is (1) transitory, (2) of a highly unusual or infrequent specificity, or (3) of an unusually high titer. To be consistent with § 606.160 (21 CFR 606.160), the Commissioner also proposed that records document the antibody and the need for plasmapheresing the donor. The proposal was consistent with the interpretation applied to § 640.63(e) by the Bureau of Biologics in its regulatory actions since March 12, 1976.

Interested persons were given until July 18, 1977 to submit written comments. Four letters were received. The comments and the Commissioner's responses follow:

1. Four comments objecting to the proposed amendment stated that it would provide less protection for donors with special antibodies than for normal donors.

The Commissioner agrees that donors with special antibodies who are plasmapheresed before the 8-week waiting period are more subjected to some additional risk than donors who are plasmapheresed after the 8-week waiting period. However, these donors must be examined by a qualified licensed physician and certified by the physician to be acceptable for further plasmapheresis. They are further protected by the other screening and donor suitability requirements of the additional standards for Source Plasma (Human). The Commissioner believes that the additional risk to these donors is acceptable when measured by the benefits in obtaining a scarce biological resource. Accordingly, the comment is rejected.

2. One comment recommended that the waiting period should be 72 hours or more, as prescribed by the American Association of Blood Banks (AABB), rather than 8 weeks as required by the biologics regulations.

The Commissioner believes that 72 hours should not be the routinely acceptable waiting period because donors of a unit of whole blood may lose as much as 400 milliliters of their red blood cells during a plasmapheresis procedure (approximately 200 milliliters from donating a unit of whole blood and approximately 200 milliliters from the plasmapheresis procedure). The Commissioner believes that a donor should not be plasmapheresed within this time span unless the donor carries a scarce antibody, has been examined by a qualified licensed physician and certified to be acceptable for plasmapheresis, and the need for the plasma is documented. Accordingly, the comment is rejected.

3. One comment noted that bleeding some donors may have the beneficial effect of reducing red blood cells, as measured by hemoglobin and hemocrit values. Therefore, it was suggested that the 8-week waiting period should not apply to these donors.

The Commissioner advises that § 640.75 (21 CFR 640.75) provides a mechanism for the collection and processing of Source Plasma (Human) at variance with one or more of the requirements of the Source Plasma (Human) regulations, including § 640.63(e), provided that prior approval for the alternate procedure is obtained from the Director, Bureau of Biologics. Accordingly, exceptions to the 8-week waiting period and § 640.63(e) are permitted under § 640.75, and the comment is rejected.

4. Two comments asserted that implementation of the proposal limiting the exception to the 8-week waiting period would reduce the supply of plasma and its derivatives and have an inflationary effect on the final products by reducing the amount of plasma collected each year. The comments suggested a 4-day or 2-week waiting period. One comment added that the 8-week waiting period should begin only after the loss of a second unit of red blood cells.

The Commissioner recognizes that an 8-week waiting period may result in a greater reduction of the supply of plasma and its derivatives than a 4-day or 2-week waiting period, as suggested by the comments. However, the Commissioner concludes that the reduction of supply does not justify the increased risk to donors who may lose as much as 400 milliliters of red blood cells during a 4-day or 2-week period. In addition, such reduction in the supply resulting from limiting exception to the 8-week waiting period will not cause an economic effect as defined by Executive Orders No. 11821 and 11949, OMB Circular No. A-107, and guidelines issued by HEW. Accordingly, the comment is rejected.

5. One comment objected to FDA taking regulatory action on the proposed amendment before its adoption.

The comment misunderstood the statement in the preamble that the proposal is consistent with the interpretation of § 640.63(e) applied by the Bureau of Biologics in its regulatory actions since March 12, 1976. By proposing to codify its existing policy, FDA was in essence announcing that there would be no change in enforcing that section. Although preceding this final order as a new regulation, implementation of its interpretation of the existing regulation has not been premature. Accordingly, the comment is rejected.

Therefore, under the Public Health Service Act (sec. 351, 58 Stat. 702, as amended (42 U.S.C. 262)) and under authority delegated to the Commissioner (21 CFR 5.1), Part 640 is amended in Subpart F by revising § 640.63(e) to read as follows:

§ 640.63 Suitability of donor

* * * * *

(e) *Failure to return red blood cells.* Any donor who has not had the red blood cells returned from a unit of blood collected during a plasmapheresis procedure or who has been a donor of a unit of whole blood shall not be subjected to plasmapheresis for a period of 8 weeks, unless:

(1) The donor has been examined by a qualified licensed physician and certified by the physician to be acceptable for further plaspheresis before expiration of the 8-week period;

(2) The donor possesses an antibody that is (i) transitory, (ii) of a highly unusual or infrequent specificity, or (iii) of an unusually high titer; and

(3) The special characteristics of the antibody and the need for plasmapheresing the donor are documented.

Effective date: This regulation becomes effective March 10, 1978.

(Sec. 351, 58 Stat. 702 as amended (42 U.S.C. 262).)

Dated: March 3, 1978.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc. 78-6338 Filed 3-9-78; 8:45 am]

[4510-26]

Title 29—Labor

CHAPTER XVII—OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR

PART 1952—APPROVED STATE PLANS FOR ENFORCEMENT OF STATE STANDARDS

Approval of Supplement to California State Plan

AGENCY: Occupational Safety and Health Administration, Labor Department.

ACTION: Final rule.

SUMMARY: This rule approves a State-initiated supplement to the California occupational safety and health plan. The supplement is a new State program aimed at reducing employee exposure to occupational hazards from carcinogens which has been in effect since January 1, 1977.

EFFECTIVE DATE: March 10, 1978.

FOR FURTHER INFORMATION CONTACT:

Marjorie N. Sauber, Office of State Programs, Occupational Safety and Health Administration, 200 Constitution Avenue NW., Washington, D.C. 20210, 202-653-5377.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Part 1953 of Title 29, Code of Federal Regulations, prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) (hereinafter referred to as the Act) for the review by the Assistant Secretary of Labor for Occupational Safety and Health (hereinafter called the Assistant Secretary) of changes and progress in the development and implementation of State plans which have been approved under section 18(c) of the Act and Part 1902 of this chapter. On May 1, 1973, a notice was published in the FEDERAL REGISTER of the approval of the California plan and of the adoption of the Subpart K to Part 1952 of this chapter containing the decision (38 FR 10717). On December 26, 1976, the State of California submitted a supplement to its plan involving a State initiated change (see Subpart E of Part 1953). On May 27, 1977, a notice was published in the FEDERAL REGISTER (42 FR 27266) inviting public comment and requests for a hearing on the supplement.

DESCRIPTION OF THE SUPPLEMENT

The supplement concerns a new State program relating to occupational hazards from carcinogens which is to be included within the California Occupational Safety and Health Plan. This new program resulted from the enactment of the California Occupational Carcinogens Control Act of 1976 which became effective January 1, 1977 (Senate Bill 1678, Chapter 2, Division 20, California Health and Safety Code). The supplement contains copies of the Occupational Carcinogens Control Act, current California standards concerning vinyl chloride, asbestos, and a group of 14 other carcinogenic substances, and an interagency agreement between the Division of Industrial Safety of the Agriculture and Services Agency and the Occupational Health Branch of the California Department of Health. The State anticipates that the carcinogen compliance program will involve 24 industrial hygienists in the field, 2 senior industrial hygienists, 1 supervisory industrial hygienist, 1 staff counsel and 1 man-year of compliance safety engineer time.

The California Carcinogen Program has three major components. The first component of the program is a special carcinogen enforcement program. The Division of Industrial Safety within the Department of Industrial Relations, which is the designated agency responsible for the administration of the CAL/OSHA program, has responsibility for the enforcement of this program. The Occupational Health Branch of the Department of Health, utilizing reports from carcinogen users, is to establish priorities for inspections and perform as many inspections of the use of carcinogens as resources permit. On July 1, 1977, the CAL/OSHA penalty schedule was modified so that failure to report the use of any carcinogen as required by the carcinogen standards carries a civil penalty of not less than $500, a serious violation involving the use of a carcinogen $1,000, and there is a penalty of not less than $5,000 for a repeated violation of standards or special orders involving the use or failure to report the use of a carcinogen. In addition, effective July 1, 1977, the definition of a serious violation under the CAL/OSHA Act (Section 6432, California Labor Code) was modified to include the violation of a standard or special order respecting the use of a carcinogen.

The second component of the Carcinogen Program centers on standards requirements. Each employer using any carcinogen, currently defined as the 16 substances listed in the legislation, is required to submit a report to the Division of Industrial Safety regarding such use. The legislation also provides the same reporting requirement for all standards involving carcinogens which the State promulgates following promulgation at the Federal level. The Division of Industrial Safety is to transmit reports of users to bargaining and other representatives of the affected employees of a reporting employer. Employers are required to post a copy of these reports in a location conspicuous to affected employees. Every employer using carcinogens must provide for medical examinations of affected employees where required by standards. In addition to providing that the Occupational Safety and Health Standards Board adopt standards at least as restrictive as the comparable Federal standards on carcinogens, the program provides for the adoption of standards concerning substances for which there is a preponderance of evidence establishing carcinogenicity but for which no Federal standards have been promulgated.

The third component of the Carcinogen Program is an education and consultation program. The Department of Health and the Division of Industrial Safety used all appropriate means of communication to inform all affected employees, employers and the public about the requirements of the Carcinogens Control Act before July 1977. In addition, the Department of Health is providing consultation services for employers using carcinogens. Particular emphasis was placed on education and consultation activities during the first six months of the Carcinogen Program.

LOCATION OF THE PLAN AND ITS SUPPLEMENT FOR INSPECTION AND COPYING

A copy of the plan and its supplements may be inspected and copied during normal business hours at the following locations: Technical Data Center, Occupational Safety and Health Administration, Room S-6212, 200 Constitution Avenue NW., Washington, D.C. 20210; Office of the Regional Administrator, Occupational Safety and Health Administration, Room 9470, 450 Golden Gate Avenue, San Francisco, Calif. 94102; and the California Occupational Safety and Health Administration, Room 3052, 455 Golden Gate Avenue, San Francisco, Calif. 94102.

PUBLIC PARTICIPATION

The May 27, 1977, notice published in the FEDERAL REGISTER described the supplement and allowed 30 days for interested persons to submit written data, views, and arguments concerning whether the supplement should be ap-

proved. No public comments or requests for a hearing concerning the supplement have been received.

DECISION

After careful consideration, the California plan change described above is hereby approved under Subpart E of Part 1953 of this chapter as an addition to the effectiveness of regulation of occupational health under the plan. This decision incorporates the requirements of the Act and implementing regulations applicable to State plans generally.

Accordingly, Subpart K of Part 1952 of this Chapter is amended by adding a new section at the end as follows:

§ 1952.175 Changes in certified plans.

In accordance with Subpart E of Part 1953 of this Chapter, the California carcinogen program implemented on January 1, 1977, was approved by the Assistant Secretary on March 6, 1978.

Signed at Washington, D.C. this 6th day of March 1978.

EULA BINGHAM,
Assistant Secretary of Labor.

[FR Doc. 78-6388 Filed 3-9-78; 8:45 am]

[4810-28]

Title 31—Money and Finance

CHAPTER 1—MONETARY OFFICES, DEPARTMENT OF THE TREASURY

PART 52—ANTIRECESSION FISCAL ASSISTANCE TO STATE, TERRITORIAL AND LOCAL GOVERNMENTS

Interim Regulations

AGENCY: Office of Revenue Sharing, Treasury Department.

ACTION: Amendment to interim regulations.

SUMMARY: This notice amends the interim regulations published September 23, 1977, by the Office of Revenue Sharing pursuant to the Public Works Employment Act of 1976, as amended. The purpose of this amendment is to provide guidance to recipient governments and to inform other interested persons of a change in the procedure used to make adjustments to payments due to corrections in the revenue sharing amount data used to compute the amount of a payment.

EFFECTIVE DATE: March 10, 1978.

ADDRESS: Send comments to: Director, Office of Revenue Sharing, 2401 E Street, NW., Washington, D.C. 20226.

FOR FURTHER INFORMATION CONTACT:

Andrew S. Coxe, Acting Chief Counsel, Office of Revenue Sharing, 2401 E Street NW., Washington, D.C. 20226, 202-634-5182.

SUPPLEMENTARY INFORMATION: On September 23, 1977, the Office of Revenue Sharing published amendments to the interim regulations promulgated pursuant to Title II of the Public Works Employment Act of 1976, as amended by Pub. L. 94-369. That Act authorizes antirecessional fiscal assistance payments to eligible State and local governments, to Puerto Rico, American Samoa, Guam, and the Virgin Islands. Revenue sharing entitlements and unemployment rates are the two data factors specified by the Act to compute payments to State and local governments. After the effective date of this amendment to § 52.25 of the interim regulations, payments under Title II of the Public Works Employment Act, as amended, will be adjusted to reflect a change made by the Director of the Office of Revenue Sharing to the recipient government's revenue sharing entitlement for general revenue sharing purposes, in instances where the incorrect entitlement amount was used to compute an antirecession fiscal assistance payment. The procedure for adjustments to payments due to unemployment rate data changes is not affected by these amendments.

Because these regulations are for purposes of procedure and practice, and relieves a restriction on adjustments, these regulations are published without the notice and public procedures under 5 U.S.C. 553(b) or subject to the effective date limitations of 5 U.S.C. 553(d).

WRITTEN COMMENTS SOLICITED

Consideration will be given any written comments or suggestions pertaining to these interim regulations which are received on or before April 1, 1978. Written comments shall be addressed to the Director, Office of Revenue Sharing (Symbols CC), 2401 E Street NW., Washington, D.C. 20226. Written comments received in response to this solicitation will be available to the public upon request, unless the comments are exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552) and the Department invokes the applicable exemption. A file of all written comments will be indexed and lodged with the Treasury Library.

NOTE.—The Department of the Treasury has determined that these amendments and interim regulations do not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Orders 11821 and 11949, and OMB Circular A-107.

31 CFR Part 52 is therefore amended in the manner set forth below.

BERNADINE DENNING,
Director,
Office of Revenue Sharing.

Approved:

ROGER ALTMAN,
Assistant Secretary.

§ 52.25 Finalizing data; verification of data.

(a) *Closing unemployment rate data.* Except as provided in paragraphs (d) and (e) of this section, the unemployment rate data reported by the Secretary of Labor to the Director shall be closed and final as of the date payments are made to recipient governments each calendar quarter.

(b) *Closing revenue sharing amount data.* Except as provided in § 52.21(c), and paragraphs (d), (e), and (f) of this section, the Director's determination of a recipient government's revenue sharing amount shall be closed and final as of the date payments are made each calendar quarter. A revenue sharing amount determined pursuant to § 52.26 of this subpart for governments without a revenue sharing entitlement (new governments), shall be closed and final as of the date of payment.

(c) *Closing territorial population data.* Except as provided in paragraphs (d) and (e) of this section, the territorial population reported by the Bureau of Census to the Director shall be closed and final as of the date payments are made each calendar quarter.

(d) *Time limitation of data verification.* A government may file a request for data verification with the Director on the grounds that a processing or clerical error was made in the unemployment rate data, the revenue sharing amount data, or the territorial population data used for its quarterly allocation, provided such data verification request is received by the Director within 21 days from the date such data is mailed by the Director to the recipient government for such calendar quarter. Adjustments due to data errors discovered pursuant to this section may be made to the payment of any government for which such data was used for quarterly allocation purposes. Data verification of unemployment rates does not include variances in rates due to quarterly or annual revisions by the Secretary of Labor after the date of payment for a calendar quarter. Nothing in this section shall affect the entitlement of governments under the Revenue Sharing Act.

(e) *Unemployment rate data verification by the Director or the Bureau of Labor Statistics.* Errors in unemployment rate data used for payments that are discovered by the Director or the Bureau of Labor Statistics within 21 days from the date data is mailed to

recipient governments each calendar quarter shall result in appropriate adjustments to the payment of a recipient government. Adjustments pursuant to this section shall be in accordance with § 52.21(b) of this part.

(f) *Revenue sharing amount data verification by the Director.* When the Director approves a revision of a revenue sharing entitlement for purposes of the Revenue Sharing Act, an appropriate adjustment in accordance with § 52.21(b) of this part shall be made to payments of a recipient government, where such payments were computed based upon the incorrect revenue sharing entitlement.

[FR Doc. 78-6385 Filed 3-9-78; 8:45 am]

[6560-01]

Title 40—Protection of the Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER N—EFFLUENT GUIDELINES AND STANDARDS

[FRL 865-8]

PART 436—MINERAL MINING AND PROCESSING POINT SOURCE CATEGORY STANDARD OF PERFORMANCE FOR NEW SOURCES

Phosphate Rock Mining

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

SUMMARY: These new source performance standards (NSPS) limit the discharge of pollutants into navigable waters from phosphate rock mining and processing operations that are determined to be "new sources." The Federal Water Pollution Control Act (FWPCA) requires these regulatoins to be issued. These standards of performance will be incorporated in National Pollutant Discharge Elimination System (NPDES) permits issued to new sources by the Federal EPA or by States with approved programs. The term "new source" means any source, the construction of which is commenced after the publication of proposed regulation (June 10, 1976, 41 FR 25561). The effect of these regulations will be to require treatment of waste water discharged from new source phosphate mining and processing operations in the mineral mining industry.

EFFECTIVE DATE: April 10, 1978.

FOR FURTHER INFORMATION CONTACT:

William Telliard, Effluent Guidelines Division (WH-552), Environmental Protection Agency, 401 M Street SW., Washington, D.C. 20460, 202-426-2726.

SUPPLEMENTARY INFORMATION:

Background

On October 16, 1975 (40 FR 48652), and June 10, 1976 (41 FR 23552), EPA promulgated interim final effluent limitations based on the application of "best practicable control technology currently available" (BPT) for 40 CFR Part 436—Mineral Mining and Processing Point Source Category. On June 10, 1976, the Agency also proposed effluent limitations based on the application of "best available technology economically achievable" (BAT) and standards of performance (NSPS) and pretreatment standards for new sources (41 FR 23561). On July 12, 1977 (42 FR 35843), final BPT regulations applicable to existing point sources for the phosphate rock subcategory (Subpart R) were promulgated. The final new source performance standards set forth below are applicable to the phosphate rock subcategory (Subpart R).

The Agency is not promulgating final pretreatment standards for new sources published in the June 10, 1976 proposed regulations because there are no known situations in which such standards would be applicable. Should information become available which indicates there is a need for such standards, then regulations will be issued. The regulations based upon best available technology economically achievable (BAT) which were proposed on June 10, 1976 are also not being promulgated at this time.

Legal Authority

These regulations are promulgated pursuant to section 306 of the Federal Water Pollution Control Act, as amended.

Section 306 of the Act requires the achievement by new sources of a Federal standard of performance providing for the control of the discharge of pollutants which reflects the greatest degree of effluent reduction which the Administrator determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants.

Summary and Basis of Regulations

New source performance standards are established in these regulations for total suspended solids (TSS) and pH. The regulations govern discharges of process generated waste water pollutants and discharges of mine dewatering pollutants by new sources in the phosphate mining and processing subcategory.

The best available demonstrated control technology for controlling the discharge of process generated waste water pollutants includes effective control of total suspended solids by settling and clarification. Occasional use of flocculation may be necessary. Available technologies are discussed in detail in Appendix A of the final rule for existing sources (BPT), 42 FR 35843. As in all other mining categories, the limitations for the phosphate mining and processing subcategory are applied on a concentration basis (mg/l) rather than a mass basis (lb/ton of product) because no correlation between water usage and production can be established. The method of chemical analyses shall conform to the methods specified in "Guidelines Establishing Test Procedures for the Analysis of Pollutants," 40 CFR Part 136, published in 41 FR 52780 (December 1, 1976).

Additional waste water pollutants which may be present are radiological parameters, fluoride and phosphates. Control of total suspended solids will have the effect of controlling phosphates and radiological pollutants to some extent. For the most part, dissolved fluoride results because of upstream chemical plant contamination. This source of pollution will be controlled by regulating that industry. Existing treatment systems are not generally designed to specifically remove these pollutants, and additional treatment of these pollutants will not be practicable for most operations. Consequently, specific limitations for these pollutants are not established at this time. The permit issuing authority could, however, impose specific limitations on such pollutants on a case-by-case basis, if practicable technology were shown to be available in the particular case.

A report entitled "Development Document for Interim Final Effluent Limitations Guidelines and New Source Performance Standards for the Mineral Mining and Processing Point Source Category" was issued at the time that the interim final BPT regulations and proposed BAT and NSPS regulations were published on June 10, 1976. A supplementary report on the possible economic effects of the regulations was also issued at that time. Comments on both reports were solicited by the Agency.

After the interim BPT regulations were issued, the Agency collected and analyzed additional data on the phosphate mining and processing subcategory which is subject to these final NSPS regulations. A report entitled "Development Document for Final Effluent Limitations Guidelines and New Source Performance Standards for the Mineral Mining and Processing Point Source Category" details the analyses undertaken in support of the final

NSPS regulations set forth here. A supplementary analysis on the possible economic effects of the final regulations has also been prepared. Copies of both reports are available for inspection at the EPA Public Information Reference Unit, Room 2922 (EPA Library), Waterside Mall, 401 M Street SW., Washington, D.C., at all EPA regional offices, and at State water pollution control offices. Copies of both documents are being sent to persons or institutions affected by the final regulation or who have placed themselves on a mailing list for this purpose (see EPA's Advance Notice of Public Review Procedures, 38 FR 21202, August 6, 1973). Further copies of the Development Document will be available from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Copies of the economic analysis document will be available through the National Technical Information Service, Springfield, Va. 22151.

The technical and economic analyses undertaken, in support of the BPT regulations and applicable to these NSPS regulations are discussed in detail in Appendix A to the preamble to the final BPT rule published July 12, 1977 (42 FR 35843).

Summary of Public Participation

Prior to this publication, interim final BPT regulations for existing sources were promulgated for the mineral mining point source category (41 FR 23552) which were supported by a report entitled "Development Document for Effluent Limitation Guidelines and New Source Performance Standards for the Mineral Mining Point Source Category, June 1976." This document was made available to the public. Public comment was solicited in the Federal Register, 41 FR 23552. In addition, a public meeting was held in Washington, D.C. on December 2, 1976, to enable further public participation. A complete listing of participants and a discussion of comments and responses pertaining to the comments was contained in the final rule promulgated on July 12, 1977, for existing sources in the mineral mining point source category (42 FR 35843).

While the interim final rulemaking addressed best practicable control technolgy currently available for existing sources, the definitions and basic pollution control concepts used are also relevant to these proposed standards of performance. Appendix B of the July 12, 1977, preamble should be referred to for a discussion of these comments.

Summary of Major Changes

As a result of the comments on the interim final BPT and proposed NSPS regulations and information which were received following promulgation of the interim final BPT regulations, and as a result of additional study by the Agency, a number of changes are being made in the proposed new sources regulations.

The process water discharge limitations for the new source phosphate rock subcategory have been changed. The proposed new source performance standard imposed a no discharge requirement on process generated waste water pollutants in ore transport water, pump seal water, air scrubber water and ore wash water. These types of water can be recycled. Pollutants in waste water from the flotation processes of this industry, by contrast, were not subject to a no discharge requirement because recycling waste water in the flotation circuit causes a loss in recovery of product. The previous regulations further provided for monitoring of discharges when the various waste water streams were commingled. The Agency concluded that these regulations, while reasonable, created excessively complex enforcement problems. Enforcement under the proposed standard would be difficult even if extensive site visits were carried out unless the waste streams were separated. Consequently, a single set of limitations has been imposed in the final regulation for all waste streams.

The TSS limitations for the phosphate rock subcategory have been reevaluated in the light of comments and additional data received, but they have not been changed. The reasons for not changing the TSS limitations are the same as those reasons given in more detail in the final BPT regulation (see, 42 FR 35843, July 12, 1977).

Economic Analyses

The NSPS regulations for phosphate mining represent estimated capital compliance costs of $910,000 (in 1974 dollars) for a model eastern phosphate mining operation. This is less than 4 percent of the investment in plant and equipment. Total annualized costs would be approximately $264,000 (in 1974 dollars), or about $.11 per metric ton or 0.9 percent of the mid-1974 price of $12.10 per metric ton. As discussed in the impact analysis prepared for the Agency, "Economic Impact of Effluent Guidelines, Mineral Mining and Processing Industry," these regulations are not expected to affect significantly prices, production, employment, industry growth, local economies or the balance of trade. The Environmental Protection Agency has determined that this document does not contain a major regulation requiring preparation of an Economic Impact Analysis under Executive Orders 11821 and 11949 and OMB Circular A-107.

Small Business Administration Loans

Section 8 of the FWPCA authorizes the Small Business Administration, through its economic disaster loan program, to make loans to assist any small business concerns in effecting additions to or alterations in their equipment, facilities, or methods of operation so as to meet water pollution control requirements under the FWPCA, if the concern is likely to suffer a substantial economic injury without such assistance.

For further details on this Federal loan program write to EPA, Office of Analysis and Evaluation, WH-586, 401 M Street SW., Washington, D.C. 20460.

In consideration of the foregoing, 40 CFR Part 436 is hereby amended as set forth below.

Dated: March 6, 1978.

Douglas M. Costle,
Administrator.

Subpart R—Phosphate Rock Subcategory

Sec.
436.180 Applicability; description of the phosphate rock subcategory.
436.181 Specialized definitions.
436.185 Standards of performance for new sources.

Authority: Sec. 306, Federal Water Pollution Control Act, as amended.

1. Subpart R is amended by revising § 436.185.

Subpart R—Phosphate Rock Subcategory

§ 436.180 Applicability; description of the phosphate rock subcategory.

The provisions of this subpart are applicable to the mining and the processing of phosphate bearing rock, ore or earth for the phosphate content.

§ 436.181 Specialized definitions.

For the purpose of this subpart:

(a) Except as provided below, the general definitions, abbreviations and methods of analysis set forth in 40 CFR 401 shall apply to this subpart.

(b) The term "mine dewatering" shall mean any water that is impounded or that collects in the mine and is pumped, drained or otherwise removed from the mine through the efforts of the mine operator.

(c) The term "10-year 24 hour precipitation event" shall mean the maximum 24 hour precipitation event with a probable re-occurrence interval of once in 10 years. This information is available in "Weather Bureau Technical Paper No. 40," May 1961 and "NOAA Atlas 2," 1973 for the 11 Western States, and may be obtained from the National Climatic Center of the Environmental Data Service, National Oceanic and Atmospheric Administration, U.S. Department of Commerce.

(d) The term "mine" shall mean an area of land, surface or underground, actively used for or resulting from the extraction of a mineral from natural deposits.

(e) The term "process generated waste water" shall mean any waste water used in the slurry transport of mined material, air emissions control, or processing exclusive of mining. The term shall also include any other water which becomes commingled with such waste water in a pit, pond, lagoon, mine, or other facility used for settling or treatment of such waste water.

§ 436.185 Standards of performance for new sources.

(a) Subject to the provisions of paragraph (b) of this section, the following limitations establish the quantity or quality of pollutants or pollutant properties, controlled by this section, which may be discharged by a point source subject to the provisions of this subpart after application of the best available demonstrated control technology.

(1) Discharges of process generated waste water and mine dewatering discharges, shall not exceed the following limitations:

Effluent characteristics	Effluent limitations	
	Maximum for any 1 day	Average of daily values for 30 consecutive days shall not exceed—
TSS	60 mg/l	30 mg/l.
pH	Within the range 6.0 to 9.0.	

(b) Any overflow from facilities governed by this subpart shall not be subject to the limitations of paragraph (a) of this section if the facilities are designed, constructed and maintained to contain or treat the volume of waste water which would result from a 10-year 24-hour precipitation event.

[FR Doc. 78-6390 Filed 3-9-78; 8:45 am]

[4110-35]

Title 42—Public Health

CHAPTER IV—HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PART 448—COVERAGE AND CONDITIONS OF ELIGIBILITY FOR MEDICAL ASSISTANCE

PART 449—AMOUNT, DURATION, AND SCOPE OF MEDICAL ASSISTANCE

Medicaid Eligibility—Various Provisions To Implement Recent Statutory Changes and to Clarify Existing Rules

AGENCY: Health Care Financing Administration, HEW.

ACTION: Final rule.

SUMMARY: These amendments to regulations governing eligibility for Medicaid are required by statutory changes enacted in 1976 (medical assistance, title XIX, Social Security Act). Provisions covered in these amendments include:

1. Effect of cost-of-living increases in Social Security benefits and Supplemental Security Income (SSI) benefits;

2. Medicaid coverage for eligible persons in public community residences housing no more than 16 persons;

3. Acceptance of unemployment compensation; and,

4. Medicaid coverage for persons awaiting blindness or disability determinations.

Additional changes clarify existing rules about which questions have been raised. Those changes are described below, under "Supplementary Information."

EFFECTIVE DATES: These regulations are effective upon publication except that:

1. Regulations on the effect of cost-of-living increases in Social Security benefits (§ 448.1 (a)(1)(ii), (b)(2)(viii), § 448.3(b)(9) and § 449.41) and maintenance of State supplementary payment levels (§ 448.4(e)) are effective July 1, 1977; and,

2. Regulations authorizing coverage for persons in public community residences housing no more than 16 persons (§ 448.60) are effective October 1, 1976.

Although these regulations are being published in final for reasons explained in the Supplementary Information, consideration will be given to written comments received on or before April 24, 1978.

ADDRESSES: When commenting please refer to MMB-216-R. Agencies and organizations are requested to submit their comments in duplicate.

Address comments in writing to: Administrator, Health Care Financing Administration, Department of Health, Education, and Welfare, P.O. Box 2366, Washington, D.C. 20013. Beginning two weeks from today, the public may review the comments Monday through Friday of each week, from 8:30 a.m. to 5 p.m., at: Department of Health, Education, and Welfare, Health Care Financing Administration, Room 5225, 330 C Street SW., Washington, D.C., 202-245-0950.

FOR FURTHER INFORMATION CONTACT:

Mary Kenesson, 202-245-0104.

SUPPLEMENTARY INFORMATION: These regulations were previously codified under 45 CFR Parts 248 and 249. Recodification changes, effective October 1, 1977, established a new Chapter IV in Title 42 of the Code of Federal Regulations for the Health Care Financing Administration. Subchapter C of Chapter IV contains Medicaid regulations. Therefore, these regulations are now codified under 42 CFR Parts 448 and 449.

The specific changes in regulations are described and explained below, in the order that they appear in the CFR:

DEDUCTION OF SUPPLEMENTARY PAYMENTS AND CERTAIN OASDI INCREASES FROM "SPEND DOWN" LIABILITY

Under section 1902(f) of the Social Security Act, States may impose more restrictive Medicaid eligibility conditions than are required for Supplemental Security Income (SSI). Aged, blind or disabled persons in those States can deduct their incurred medical expenses, SSI benefits and State supplementary payments from income to establish Medicaid eligibility (i.e., "spend down" income above the eligibility limit). Certain individuals defined by statute are also entitled to deduct OASDI cost-of-living increases received in August 1972 or after April 1977.

Paragraphs 448.1(a)(1)(ii) and 448.3(b)(9) are revised to accurately reflect mandatory deductions from countable income for persons who "spend down" to establish Medicaid eligibility in those States. These are statutory requirements inadvertently omitted from the previously published regulations.

MEDICAID COVERAGE OF PRESUMPTIVELY BLIND OR DISABLED OR CONDITIONALLY ELIGIBLE SSI RECIPIENTS

Paragraph 448.1(b)(2)(i) is amended to specify that persons receiving SSI benefits pending a final determination of blindness or disability or pending disposal of excess resources are considered to be "individuals receiving a benefit under title XVI" for purposes of Medicaid coverage. Thus, their cov-

erage is mandatory in States covering all SSI beneficiaries.

Section 1631(a)(4)(B) of the Act authorizes SSI benefits for otherwise eligible persons pending a final determination of blindness or disability (i.e., "presumptive blindness or disability"). Persons who receive SSI benefits under these circumstances are entitled to Medicaid coverage and Federal matching is available for Medicaid expenditures on their behalf, whether or not the Social Security Administration subsequently determines that the individual meets the SSI definition of blindness or disability.

Section 1613(b) of the Act authorizes SSI benefits for otherwise eligible persons who enter into written agreements with the Social Security Administration to dispose of excess property within a specified time (i.e., "conditional eligibility"). Persons receiving SSI benefits as conditionally eligible are entitled to Medicaid coverage to the same extent as other SSI recipients in the State.

Medicaid Coverage for Certain Blind and Disabled Persons

Paragraph 448.1(b)(2)(vii) is added and paragraphs 448.1(c)(1) and (d) are revised to clarify the conditions under which certain blind and disabled persons continue to be eligible for Medicaid.

Section 232 of Pub. L. 93-66, as amended by section 13(b)(2) of Pub. L. 93-233, provides for continued Medicaid coverage of blind and disabled individuals who were eligible for medical assistance in December 1973, if they continue to meet all the December 1973 conditions of Medicaid eligibility and the current income and resource limits (i.e., they do not have to meet the current SSI definitions of blindness or disability).

Section 232 as enacted referred to blind and disabled persons who "would, if needy, be eligible for aid or assistance" under State cash assistance plans. Thus it covered only persons who were not receiving a cash payment. The amendment made by Pub. L. 93-233 clarified that receipt or non-receipt of a money payment is irrelevant. Accordingly, the regulation now requires coverage of all persons who continue to meet the December 1973 eligibility conditions and whose income and resources are within the current Medicaid limits, whether or not they received cash assistance in December 1973. The regulation language has been clarified for both the categorically and medically needy.

Medicaid Coverage for Certain OASDI Beneficiaries

Paragraph 448.1(b)(2)(viii) is added to require Medicaid coverage for certain persons who become ineligible for SSI benefits from cost-of-living increases in Old Age, Survivors and Disability (OASDI) benefits. This provision was enacted by section 503 of Pub. L. 94-566.

APPLICABILITY

Effective July 1, 1977, any aged, blind or disabled person who becomes ineligible for SSI/SSP cash assistance due to OASDI cost-of-living increases received after April 1977, and who would still be eligible for SSI/SSP if the OASDI increase were deducted from income, will be considered to be an SSI/SSP recipient for purposes of Medicaid coverage.

This provision is not limited to persons who were Medicaid eligible at the time SSI/SSP ineligibility occurred; they are entitled to the deduction whenever they apply or reapply for Medicaid. Also, the person need not remain continuously eligible for Medicaid following loss of SSI/SSP; e.g., a person who receives Medicaid as a result of this provision but then becomes ineligible due to increased resources can deduct OASDI cost-of-living increases in reestablishing Medicaid eligibility when he disposes of his excess resources.

LIMITATIONS

This provision is limited to persons who lose SSI/SSP cash assistance due to OASDI cost-of-living increases. Therefore, it does not apply to persons who were not receiving SSI/SSP, such as the medically needy, persons in medical or intermediate care facilities whose Medicaid eligibility is based on an income level higher than the SSI/SSP payment standard for institutionalized persons, persons who are Medicaid eligible because they could receive SSI/SSP if they applied, or any other groups of Medicaid eligible non-cash recipients. However, persons whose SSI/SSP benefits are suspended pending assignment of a representative payee or because payments are undeliverable for reasons not affecting eligibility are considered to be SSI/SSP recipients.

EXTENT OF COVERAGE

Persons eligible under this provision will be entitled to Medicaid coverage under the same terms and conditions as other SSI/SSP recipients in the State. Therefore, 42 CFR 449.41 is amended to specify that Federal matching is available in Medicare SMI premiums paid by the State on behalf of these persons.

In States which require SSI/SSP recipients to meet more restrictive Medicaid eligibility conditions (per section 1902(f) of the Social Security Act), those conditions must be met by persons who are deemed to be SSI/SSP recipients due to this provision. These persons will be Medicaid eligible as categorically needy; i.e., they are not subject to any cost-sharing requirements or limitations on services which are imposed on medically needy persons in the State. Paragraphs 448.1(a)(1)(ii) and 448.3 (b)(9) are also amended to specify that the amount of OASDI cost-of-living increases they receive will be deducted from countable income in determining financial eligibility.

AMOUNTS DEDUCTED FROM INCOME

Only OASDI cost-of-living benefit increases authorized by Section 215(i) of the Social Security Act which occurred after April 1977 and which were received since loss of SSI/SSP (including the initial increase that resulted in loss of SSI/SSP cash assistance) will be disregarded.

An OASDI cost-of-living increase received by the ineligible spouse of the aged, blind or disabled person will be disregarded if the spouse's OASDI increase is deemed to be income available to the SSI/SSP recipient (and which thus resulted in loss of SSI/SSP benefits). However, OASDI cost-of-living increases received by the parent(s) of a blind or disabled SSI/SSP recipient child, which are deemed available to the child, are not disregarded because section 503 of Pub. L. 94-566 referred only to increases received by spouses.

Medicaid Coverage of Persons Eligible for Cash Assistance

Paragraphs 448.1(c)(1) and 448.10(b)(2)(i) are revised to clarify that Medicaid coverage is available, at State option, to persons who are eligible for but not receiving cash assistance. The former language referred only to persons who were "eligible but have not applied" for cash assistance. This excluded some persons who should be (and in fact are being) covered under this option, such as those who are not receiving cash assistance because payments are undeliverable due to change of address, or who have elected to receive some other type of cash benefits (such as special benefits available under section 228 of the Act to persons age 72 and older) in lieu of AFDC or SSI/SSP benefits.

Coverage under this option is limited to persons who are, in fact, eligible to receive cash assistance under the AFDC or SSI/SSP programs.

Income Limit for Supplementary Payment Recipients

In paragraph 448.2(d)(4), reference to the income limit imposed for persons who are Medicaid eligible as recipients of State supplementary payments is deleted. That income limit applies only for purposes of Federal financial participation in medical assistance provided to persons whose eligi-

bility is based on receipt of a supplementary payment, as already specified in paragraph 448.4(b)(3). States may provide coverage to recipients of supplementary payments regardless of the income level used to determine eligibility for the supplement, provided Federal financial participation is not claimed in medical expenses paid on behalf of supplementary payment recipients whose incomes exceed the limit.

Also, paragraph 448.4(b)(3) clarifies that this income limit applies only for purposes of granting Medicaid coverage based on receipt of a supplementary payment. Some States which require SSI/SSP recipients to meet more restrictive Medicaid eligibility conditions (per § 1902(f) of the Act) have misinterpreted this regulation as requiring that income of *all* categorically needy aged, blind and disabled persons must be within the SSP limit. On the contrary, these States must allow aged, blind or disabled persons to "spend-down" to establish financial eligibility as categorically needy and may not impose a limit on the amount of income such persons can have in order to be entitled to the "spend-down."

Financial Eligibility of Institutionalized Persons

Paragraph 448.2(e) is revised to clarify that when eligibility of categorically needy persons in medical or intermediate care facilities is based on State supplement income standards, net income (after deduction of disregards) is to be used in determining financial eligibility. Thus, two separate budgeting procedures are required in the eligibility determination:

(a) Gross income (before deduction of disregards) must be within 300 percent of the SSI benefit level for a noninstitutionalized individual; and,

(b) Net income (after deduction of disregards) must be within the State-defined standard.

Also, paragraph 448.2(e) which permits States to use special income standards for determining financial eligibility of categorically needy institutionalized persons is revised to clarify that these standards apply only to persons who reside in medical or intermediate care facilities for at least a full calendar month. Persons who are institutionalized for less than a calendar month are not considered to have changed their living arrangements, and thus remain subject to income standards applicable to noninsti- tutionalized persons. This clarification conforms Medicaid policy to that of the SSI program (at 20 CFR 416.231 (a)(2)), which does not recognize a change in living arrangements until the individual has been institutionalized throughout a month.

Acceptance of Cash Benefits as a Condition of Medicaid Eligibility

Paragraphs 448.3(b)(1)(ii) and 448.21(a)(2)(i)(C) are amended to require that as a condition of Medicaid eligibility, applicants and recipients must apply for any annuities, pensions, retirement or disability benefits to which they are entitled. Included are veterans' compensation and pensions, workmen's compensation, old-age, survivors and disability (OASDI) benefits, railroad retirement benefits and unemployment compensation. Exceptions may be allowed if the individual shows incapacity to file for other benefits or other good cause.

Section 1902(a)(17) of the Act requires that available income and resources must be considered in determining eligibility, except for amounts that would be disregarded (or set aside for future needs) by the AFDC or SSI programs. Those programs require applicants and recipients to accept other cash benefits which are available to them; see Sec. 407(b)(2) of the Act and 45 CFR 233.20 (a)(3)(ix) regarding AFDC, and Sec. 1611(e)(2) and 20 CFR 416.230 and 416.1330 regarding SSI. Thus, this amendment conforms Medicaid requirements to those of the AFDC and SSI programs.

Amounts actually received from such benefit programs are countable income in determining Medicaid eligibility. Note that States have an option for covering persons for Medicaid who are not accepting AFDC or SSI/SSP cash assistance (see paragraph 448.1(c)(1)), since such cash assistance payments are not counted as income to the recipient.

Institutionalized Persons—Maintenance of a Home and Application of Excess Income

Paragraph 448.3(b)(8) is revised to clarify that "personal needs" funds which persons in institutions may keep for their own use include amounts specified for the maintenance of a spouse and dependents and for upkeep of a home within certain limits.

The revision also clarifies that, for all persons in specified long-term care facilities, income above amounts protected for personal needs (including amounts to maintain a home outside the facility, where applicable) is to be applied to the cost of any necessary medical or remedial care recognized under State law. Some States had misinterpreted the former language as applicable only to the medically needy; however, some categorically needy persons also have "excess" income available for medical care costs.

Deduction of Incurred Medical Expenses for Aged, Blind or Disabled Persons in Certain States

Paragraph 448.3(b)(9) clarifies that incurred medical expenses must be included in "spend-down" calculations used to determine eligibility of aged, blind or disabled persons in States that impose more restrictive Medicaid eligibility conditions than are required by the SSI program. This had been inadvertently omitted. The revision also clarifies the order in which those incurred expenses are to be considered, and provides for deduction of title II (OASDI) cost-of-living increases for certain persons.

Federal Matching in Administrative Costs of Determining Eligibility

Paragraphs 448.4(a) and 448.10(d) clarify that Federal financial participation is available in the State's administrative costs of determining eligibility for medical assistance, whether or not the applicant is found eligible. The previous wording was meant to state that Federal matching is not available in the costs of eligibility determinations relating to applicants for general assistance or other State programs to which the Federal Government does not contribute matching funds. It has been misinterpreted to mean that the State must bear the whole cost of eligibility determinations for persons who apply for Medicaid and are found ineligible. This was not intended.

Maintenance of Effort in State Supplementary Payment Programs

Paragraph 448.4(e) is added to require that, in order to receive Federal matching funds under title XIX, States which make supplementary payments (SSP) to aged, blind and disabled persons must maintain the SSP payment levels as required by Sec. 1618 of the Act.

Section 1618 was added by Sec. 2(a) of Pub. L. 94-585, effective July 1, 1977.

Medicaid Coverage for Eligible Persons in Certain Public Community Residences

Section 448.60 and paragraph 449.10(c)(1) are amended to exempt residents of publicly operated community residences which serve no more than sixteen residents from the prohibition on Federal financial participation under title XIX in the cost of medical assistance for persons living in public institutions.

Section 1905(a) of the Act prohibits Federal matching in the costs of medical assistance provided on behalf of persons who are inmates of public institutions (except as patients in medical institutions). "Public institutions" are defined in paragraph 448.60(b)(3).

A similar prohibition existed in the SSI program under title XVI. However, effective October 1, 1976, Sec. 505(a) of Pub. L. 94-566 amended title XVI (Sec. 1611(e)(i)(a)) to authorize

SSI benefits for eligible persons who live in publicly operated community residences housing 16 or fewer residents. The Department considers it necessary to apply the same interpretation of a "public institution" to Medicaid because:

(a) There will otherwise be conflicting Department policies on the definition of a "public institution";

(b) The close relationship between SSI and Medicaid eligibility provisions necessitates conforming criteria whenever practicable;

(c) Sec. 1902(a)(10) of the Act generally requires Medicaid coverage of all SSI recipients, some of whom are now residents in these facilities; and,

(d) The change promotes the Department's goal of promoting alternatives to high cost institutional care, in that the intent of Sec. 505 was to facilitate community living arrangements for persons who would otherwise require care in an institutional setting.

Thus, this amendment to Medicaid regulations not only creates a consistent Department policy with respect to Federal funds for persons in public facilities, but should also result in a reduction in title XIX program costs as persons receiving Medicaid-financed care in nursing homes or intermediate care facilities are released to alternative community living arrangements. The costs of ambulatory medical care for those persons would of course be less than the cost of institutional care in a Medicaid facility.

Excluded from the definition of a "public community residence" are educational or vocational training institutions; facilities which provide medical or remedial care on an inpatient basis; correctional or holding facilities for persons under court-ordered confinement; and residential facilities located on the grounds of or immediately adjacent to a large institution or multiple purpose complex of which they are a part. Such living arrangements are not considered as alternatives to institutional living and thus do not satisfy the intent of Sec. 505(a) of Pub. L. 94-556.

PROVISIONS APPLICABLE TO PUERTO RICO, THE VIRGIN ISLANDS AND GUAM

In addition to other revisions to 42 CFR 448.10 and 448.21 noted above, the following changes are made with respect to Medicaid programs in Puerto Rico, the Virgin Islands and Guam:

(a) Paragraph 448.10(b)(2)(ii) clarifies coverage for medical assistance of children in medical or intermediate care facilities who, if they left, would be eligible for financial assistance. Such children qualify if they would meet all conditions of eligibility under either the State's AFDC or AB plan if they were outside the facility. The former language implied that only the AFDC criteria were applicable.

(b) Paragraphs 448.21 (a)(3)(i)(B) and (c) delete references to the limit on Federal financial participation with respect to income levels for the medically needy. Sec. 1903(f) of the Act limits Federal matching in Medicaid payments to medically needy families whose income is within 133⅓ percent of the highest amount ordinarily paid to an AFDC family. Under section 248(d) of Pub. L. 90-248, this limitation does not apply to Guam, Puerto Rico, or the Virgin Islands.

(c) A provision is being added to paragraph 448.21(a)(3)(i)(C) to allow for maintenance of an institutionalized person's home if a physician certifies that he is likely to return home within six months. This change conforms these regulations to those applicable to the 50 States (paragraph 448.3(b)(4)(ii)).

The Department finds good cause to publish these regulations in final rather than as proposed rules because they either implement specific statutory amendments or incorporate HCFA policies that have already been published in other documents. If significant comments are received, however, these regulations may be revised accordingly.

Accordingly, 42 CFR Part 448 is amended as follows:

1. In §448.1, paragraphs (a)(1)(ii) (A) and (B), and (b)(2)(i) are revised; new paragraphs (b)(2) (vii) and (viii) are added; (c)(1) is revised and (c)(1) (i) and (ii) are deleted; and new paragraph (c)(7) is added. The changes are set forth below:

§448.1 State plan requirements and options for coverage under the medical assistance program.

* * * * *

(a) *General provisions governing eligibilty for medical assistance.*—(1) *Categorically needy.*—(i) *General.* In order to be considered as categorically needy for purposes of title XIX, an individual must in general be receiving financial assistance or sufficiently in need to be financially eligible for financial assistance under title IV-A or XVI of the Social Security Act, or under a State supplement to title XVI assistance.

(ii) *States limiting coverage by returning to earlier Medicaid standard.* The following rules apply to aged, blind and disabled persons in States which have exercised their option under section 1902(f) of the Act to impose eligibility conditions which are more restrictive than those required for receipt of Supplemental Security Income (SSI) benefits under title XVI. Aged, blind and disabled persons in those States are entitled to deduct amounts received as SSI benefits or State supplementary payments, and, as specified in §448.1(b) (2)(viii) and (3)(ii), cost-of-living increases in title II benefits and incurred medical expenses, from income in order to qualify for Medicaid.

(A) If the State title XIX plan provides for coverage of both the categorically and the medically needy, categorically needy coverage is limited to financially eligible aged, blind and disabled persons who are also eligible for SSI benefits or State supplementary payments, or who pursuant to §448.1(b) (2)(viii) or (3)(ii) are entitled to Medicaid coverage to the same extent as other recipients of SSI benefits or State supplementary payments in the State.

(B) If the State title XIX plan provides for coverage of the categorically needy only, all financially eligible aged, blind and disabled persons are considered to be categorically needy, whether or not they also qualify for cash assistance.

* * * * *

(b) *Required coverage of the categorically needy.* * * *

(2) In the case of the aged, blind and disabled, include one of the groups listed in paragraph (b)(2) (i), (ii) or (iii) of this section, and in addition, those listed in paragraph (b)(2) (iv), (v), (vi), (vii), and (viii) of this section:

(i) Individuals receiving a benefit under title XVI (for purposes of the regulations in this part, the phrase "individuals receiving a benefit under title XVI" includes the eligible spouses of such individuals and persons receiving such benefits pending a final determination of blindness or disability or pending disposal of excess property), or

* * * * *

(vii) All individuals who, whether or not they actually received cash assistance in December 1973:

(A) Were eligible under the State title XIX plan in December 1973 by reason of having been determined to meet the criteria for blindness or disability of the State plan approved under title X, XIV, or XVI of the Act, and

(B) For each consecutive month after December 1973, continue to meet such blindness or disability criteria and continue to meet the other conditions of the State plan under title XIX as in effect in December 1973, and

(C) Meet all current requirements of the State title XIX plan except the criteria for blindness or disability.

(viii) Effective July 1, 1977. In States which provide medical assistance to all recipients of benefits under title XVI or State supplementary payments, any individual who:

(A) Is entitled to monthly insurance benefits under title II of the Act,

(B) Becomes ineligible for benefits under title XVI or State supplementary payments because of title II cost-of-living increases paid under section 215(i) of the Act after April 1977,

(C) Was an eligible recipient of benefits under title XVI or State supplementary payments prior to receiving the title II cost-of-living increase, and

(D) Would still be eligible for benefits under title XVI or State supplementary payments if the amount of title II cost-of-living benefit increases paid after April 1977 and received by the individual (or spouse whose income is deemed available to the individual) were deducted from income. Amounts to be deducted include the increase that resulted in loss of eligibility for cash assistance and any subsequent increases.

In States which exercise their option under section 1902(f) to impose more restrictive medical assistance eligibility conditions on aged, blind and disabled persons than conditions for receipt of benefits under title XVI, persons described in (A) above are entitled to medical assistance under the same terms and conditions as title XVI beneficiaries or supplementary payment recipients in the State. Thus, the amount of the specified title II cost-of-living increases will be deducted from income in determining financial eligibility of such persons.

* * * * *

(c) *Options for coverage of categorically needy.* A State may at its option also cover additional groups of individuals as categorically needy provided they are so specified in the plan. These groups may include any of the following:

(1) Individuals who meet all the conditions of eligibility, including financial eligibility, for aid under title IV-A, benefits under title XVI or State supplementary payments (provided such supplementary payments meet standards specified in § 448.2(d), and the State plan approved under title XIX specifies that recipients of such payments are treated as categorically needy) but are not receiving such assistance.

* * * * *

(d) *Coverage of the medically needy.* (1) If the State opts to include medically needy individuals under title XIX, the State plan must specify that it covers all medically needy groups that correspond to the categorically needy groups covered in the plan; except that this requirement will not apply with respect to individuals required to be covered pursuant to paragraph (b) (1)(iii), (2) (iv), (v), and (vi), and (3)(ii) of this section. (2) Included as medically needy are all individuals who:

(i) Were eligible as medically needy under the State title XIX plan in December 1973 by reason of having been determined to meet the criteria for blindness or disability of the State Plan approved under title X, XIV, or XVI of the Act, and

(ii) For each consecutive month after December 1973 continue to meet such blindness or disability criteria and continue to meet the other conditions of the State plan under title XIX as in effect in December 1973, and

(iii) Meet all current requirements of the State title XIX plan except the criteria for blindness or disability.

2. In § 448.2, paragraphs (d)(4) and (e) are revised. The changes are set forth below:

§ 448.2 Conditions for State plan approval.

* * * * *

(d) If individuals who receive a State supplementary payment are covered as categorically needy, the supplementary payment meets the following standards. It is

* * * * *

(4) Equal to the difference between income and the financial standard used to determine eligibility for the supplement.

(e) Notwithstanding the provisions specified in paragraph (d) of this section, if a State plan provides that persons who would be eligible for cash assistance except that they are in a medical institution (or intermediate care facility) are covered as categorically needy, a special income standard may be established to determine financial eligibility of aged, blind and disabled institutionalized persons, even though a State supplementary payment might not be available to noninstitutionalized persons with incomes below that standard. Such special income standards:

(1) Must be specified in the State plan;

(2) Must be based on the increased needs that institutionalized persons, or reasonable groups of such persons, would have if they were living in the community (e.g., different income standards may be established for persons in need of care in hospitals, nursing homes, and intermediate care facilities);

(3) Will be applied effective with the first full month of institutionalization; and

(4) Will be measured against income after deduction of disregards allowed to other categorically needy aged, blind and disabled persons in the State (but in no case may Federal financial participation be claimed on behalf of persons whose eligibility is based on these standards but whose income exceeds the limit specified in § 448.4(b)(3)).

3. In § 448.3, paragraphs (b)(1)(ii), (8) and (9) are revised. The changes are set forth below:

§ 448.3 State plan requirements on financial eligibility for medical assistance programs.

* * * * *

(b)(1) * * *

(ii) Income and resources to be considered in determining eligibility and the amount of assistance include amounts actually contributed to the applicant or recipient and amounts received from any annuities, pensions, retirement or disability benefits to which he is entitled (including veterans compensation and pensions, workmen's compensation, OASDI benefits, railroad retirement benefits and unemployment compensation). The applicant or recipient must take all appropriate steps to apply for and, if entitled, to obtain such benefits unless he can show his incapacity to do so, or other good cause.

* * * * *

(7) Provide that a lower income level for maintenance shall be used for individuals not living in their own homes but receiving care in hospitals, skilled nursing facilities, intermediate care facilities, and institutions for tuberculosis or mental diseases which are covered under title XIX. This lower income level must be reasonable in amount for clothing and personal needs for such individuals, and

(i) For aged, blind, and disabled individuals, such income level must be at a minimum of $25.00 per month;

(ii) For others, States may establish reasonable standards different from that specified in subdivision (i), provided they are based on a reasonable differential in personal needs.

When such an individual's home is maintained for a spouse or other dependents, an additional amount, established by the State, must be protected for the maintenance needs of any eligible institutionalized individual's spouse or dependents living outside the facility. Such additional amounts must be based on a reasonable assessment of need and may not exceed the maintenance amount recognized by the State for categorically or medically needy persons living in the community. For families, the protected income amount must be adjusted for family size, in accordance with need standards of the State AFDC or medically needy program. A higher level of maintenance may also be applied for a temporary period, not to exceed six months, to allow an individual to apply his income and resources to maintenance of a home if a physician has certified this such individual is likely to return to the home within such temporary period.

(8) Provide, for individuals in long-term care facilities specified in paragraph (b)(7) of this section for the application of income:

(i) First to personal needs which include the needs of a spouse or other dependents and amounts needed to maintain a home as specified in paragraph (b)(7), except that income otherwise protected for personal needs shall be used to pay cost-sharing charges imposed pursuant to § 449.40 of this chapter, if the individual has no other income;

(ii) Then to the cost of medical or remedial care which is not subject to payment by a third party. (Included are health insurance premiums, deductibles or coinsurance charges, and the cost of necessary medical or remedial care recognized under State law but not covered under the State plan. States may set reasonable limits on application of income to such services); and

(iii) Any remaining income to the cost of medical assistance included in the State plan which is not subject to payment by a third party.

(9) Provide that, in determining eligibility for medical assistance of an aged, blind, or disabled individual receiving a benefit under title XVI or a State supplemental payment, who is not eligible for medical assistance unless he can meet additional eligibility criteria from the January 1972 standard, the following amounts will be deducted from income:

(i) The amount of such individual's title XVI benefit and State supplementary payment;

(ii) For individuals defined in § 448.1(b)(3)(ii), the amount of the twenty percent title II benefit increase they received in 1972;

(iii) For individuals defined in § 448.1(b)(2)(viii), the amount of cost-of-living increases in title II benefits specified therein; and

(iv) Incurred expenses for any medical care recognized under State law which is not subject to payment by a third party (including health insurance premiums, deductibles or coinsurance charges). States may set reasonable limits on such medical care to which income will be applied.

* * * * *

4. In § 448.4, paragraphs (a) and (b)(3) are revised, and a new paragraph (e) is added. The changes are set forth below:

§ 448.4 Federal financial participation.

(a) *Administrative costs.* Federal financial participation is available in the necessary administrative costs of (1) determining the eligibility of applicants for the medical assistance program, and (2) providing medical care and services to all individuals covered under the plan, in the cost of whose medical care and services the Federal government shares.

(b) *Medical assistance.* * * *

(3) Federal financial participation is available in payments made on behalf of individuals specified in the plan as categorically needy, except for: aged, blind or disabled individuals whose eligibility is based on receipt of a State supplementary payment (as described in §§ 448.1(b)(2)(ii) and 448.2(d)) and whose income, before application of any disregards applied under title XVI, exceeds 300 percent of the supplemental security income benefit rate established by section 1611(b)(1) of the Social Security Act. This income limit does not apply to those individuals required to be covered pursuant to § 448.1(b)(2)(v) of this chapter or individuals receiving a mandatory supplement under section 212 of Pub. L. 93-66.

* * * * *

(e) *Maintenance of supplementary payment levels.* No Federal financial participation is available under title XIX to any State which makes supplementary payments of the type described in sec. 1616(a) of the Act (including supplementary payments mandated by Sec. 212(a) of Pub. L. 93-66), for any calendar quarter which begins after June 30, 1977, or, if later, after the calendar quarter in which the State first makes such supplementary payments, if the State does not have in effect an agreement with the Secretary to maintain such supplementary payment levels as required by Sec. 1618 of the Act.

5. In § 448.10, paragraphs (b)(2)(i) and (ii) and (d) are revised. The changes are set forth below:

§ 448.10 Coverage and conditions of eligibility for medical assistance.

NOTE: Effective January 1, 1974, the provisions of this section are applicable only to Guam, Puerto Rico and the Virgin Islands. See §§ 448.1 through 448.4 for provisions applicable to other jurisdictions participating in the medical assistance program under title XIX of the Social Security Act.

* * * * *

(b) *State plan requirements.* * * *

(b) * * *

(i) Persons who meet all the conditions of eligibility, including financial eligibility, of one of the State's other approved plans, but are not receiving such assistance.

(ii) Persons in a medical or intermediate care facility who, if they left such facility would be eligible for financial assistance under another of the State's approved plans. This includes persons who have enough income to meet their personal needs while in the facility, but not enough to meet their needs outside the facility according to the appropriate State plan.

* * * * *

(d) *Federal financial participation—*(1) *Administrative costs.* Effective October 30, 1972, Federal financial participation in the necessary administrative costs of (i) determining the eligibility of applicants for the medical assistance program, and (ii) providing medical care and services to all individuals covered under the plan, in the cost of whose medical care and services the Federal Government shares.

* * * * *

6. In § 448.21, paragraphs (a)(2)(i)(C), (3)(i) (B) and (C), and (c) are revised. The changes are set forth below:

§ 448.21 Financial eligibility—medical assistance programs.

(a) *State plan requirements.* * * *

(2) With respect to both the categorically needy and, if they are included in the plan, the medically needy:

(i) * * *

(C) Income and resources to be considered in determining eligibility and the amount of assistance include amounts actually contributed to the applicant or recipient and amounts received from any annuities, pensions, retirement or disability benefits to which he is entitled (including veterans' compensation and pensions, workmen's compensation, OASDI benefits, railroad retirement benefits and unemployment compensation). The applicant or recipient must take all appropriate steps to apply for and, if entitled, to obtain such benefits unless he can show his incapacity to do so, or other good cause.

* * * * *

(3) With respect to the medically needy, if they are included in the plan:

(i) * * *

(B) The income levels for maintenance must be, as a minimum, at the levels of the most liberal money payment standard used by the State, at any time on or after January 1, 1966, as a measure of financial eligibility in any categorical money payment program in the State.

(C) A lower income level for maintenance must be used for individuals not living in their own homes but receiving care in nursing homes, institutions for tuberculosis or mental diseases or other medical or intermediate care facilities providing long-term care. This lower income level must be reasonable in amount for clothing and personal needs for such individuals. When such an individual's home is maintained for a spouse or other dependents, an addi-

tional amount, established by the State, must be protected for the maintenance needs of any eligible institutionalized individual's spouse or dependents living outside the facility. Such additional amounts must be based on a reasonable assessment of need and may not exceed the maintenance amount recognized by the State for categorically or medically needy persons living in the community. For families, the protected income amount must be adjusted for family size, in accordance with need standards of the State AFDC or medically needy program. A higher level of maintenance may also be applied for a temporary period, not to exceed six months, to allow an individual to apply his income and resources to maintenance of a home if a physician has certified that the individual is likely to return to the home within such a temporary period.

* * * * *

(c) *Federal financial participation.*— (1) Federal financial participation is available in payments made in behalf of categorically needy and medically needy individuals.

(2) Federal financial participation is available in payments made in behalf of the individuals and families described in § 448.10(b) (3) and (4) of this chapter.

7. In § 448.60, paragraphs (a)(1) and (b)(3) are revised and new paragraph (b)(11) is added. The changes are set forth below:

§ 448.60 Institutional status.

(a) *Federal financial participation.* (1) Federal financial participation under title XIX of the Social Security Act is not available in medical assistance for any individual who is an inmate of a public institution except as a patient in a medical institution or as a resident of an intermediate care facility or, effective October 1, 1976, as a resident of a publicly operated community residence which serves no more than 16 residents.

* * * * *

(b) *Definitions.* * * *

(3) "Public institution" means an institution that is the responsibility of a governmental unit or over which a governmental unit exercises administrative control. The term "public institution" does not include a medical institution as defined in paragraph (b)(5) of this section, an intermediate care facility as defined in § 449.10(b)(15) of this chapter, nor, effective October 1, 1976, a public community residence which serves no more than sixteen residents, as defined in paragraph (b)(11) of this section.

* * * * *

(11) "Publicly operated community residence which serves no more than 16 residents" is defined in 20 CFR 416.231(b)(6)(i). A publicly operated community residence means:

(a) It must be publicly operated as defined in § 416.231(b)(2); and

(b) It must be designed and planned to serve no more than 16 residents, or the plan and design was changed to serve no more than 16 residents; and

(c) It must be serving 16 or fewer residents; and

(d) It must make available some services beyond food and shelter such as social services, or help with personal living activities, or training in socialization and life skills; occasional or incidental medical or remedial care may also be provided (as defined in 45 CFR 228.1).

(ii) Excluded from the definition of "publicly operated community residences" are the following facilities, even if their accommodations are for 16 residents or less:

(a) Residential facilities located on the grounds of or immediately adjacent to any large institution or multiple purpose complex; and

(b) Educational or vocational training institutions that primarily provide an approved or accredited or recognized program to some or all of the individuals residing within it; and

(c) Correctional or holding facilities which provide for individuals whose personal freedom is restricted because of a court sentence to confinement (prisoners), court ordered holding (material witness, juvenile) or a pending disposition of charges or status (individuals who have been arrested or detained); and

(d) Medical treatment facilities (hospitals and skilled nursing facilities, see 42 U.S.C. 1395x and intermediate care facilities, see 42 U.S.C. 1396d) which provide medical or remedial care on an inpatient basis.

§§ 448.70 and 448.80 [Amended]

8. In §§ 448.70 and 448.80, the parenthetical cross-references in paragraph (a)(1) are corrected to read as follows:

(a) * * *

(1) * * * (see § 448.1(b)(2)(vii) and (d)(2));

9. In § 449.10, paragraph (c)(1) is revised as follows:

§ 449.10 Amount, duration, and scope of medical assistance.

* * * * *

(c) *Limitations.* (1) Federal financial participation in expenditures for medical and remedial care and services listed in paragraph (b) of this section is not available with respect to (i) any individual who is an inmate of a public institution (except as a patient in a medical institution or as a resident of an intermediate care facility or, effective October 1, 1976, as a resident of a publicly operated community residence which serves no more than 16 residents) or (ii) any individual who has not attained 65 years of age and who is a patient in an institution for tuberculosis or mental diseases (except for an individual under age 22 who is receiving inpatient psychiatric facility services pursuant to paragraph (b)(16) of this section).

* * * * *

10. In § 449.41, paragraph (c)(1) is revised as follows:

§ 449.41 Coordination of title XIX with part B of title XVIII, Social Security Act.

* * * * *

(c) *Federal financial participation.* (1) There will be no Federal financial participation in the monthly insurance premium under title XVIII, part B of the act which the title XIX State agency pays on behalf of nonmoney payment individuals eligible to receive medical assistance under title XIX of the act, except for those persons required to be covered pursuant to: (i) § 448.1(b)(1)(ii) of this chapter (AFDC families eligible for continued Medicaid coverage under section 209(a) of Pub. L. 92-603); (ii) § 448.1(b)(3)(ii) of this chapter (persons eligible for continued Medicaid coverage despite increased income from title II benefits, as provided under section 249E of Pub. L. 92-603); and,

(iii) Section 448.1(b)(2)(viii) of this chapter, effective July 1, 1977 (persons entitled to continued Medicaid coverage despite increased income from cost-of-living increases in title II benefits, as provided under Section 503 of Pub. L. 94-566).

* * * * *

(Sec. 1102, 49 Stat. 647 (42 U.S.C. 1302))

(Catalog of Federal Domestic Assistance Program No. 13.714 Medical Assistance Program)

NOTE.—The Health Care Financing Administration has determined that this document does not require preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Dated: November 10, 1977.

ROBERT A. DERZON,
Administrator, Health Care Financing Administration.

Approved: March 3, 1978.

JOSEPH A. CALIFANO, Jr.,
Secretary.

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